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THE INTERIM

A REPORT OF INTERIM ACTIVITY . . . MONTANA LEGISLATIVE COUNCIL . . . HELENA

NOVEMBER 1983

PLEASE RETURN

VOL. IV, NO. 6

SPECIAL SESSION

DECEMBER 5 OR
DECEMBER 12
DATES PROPOSED

**SHELFED WITH
PERIODICALS**

HOUSING TO
BE TIGHT

EMPLOYMENT
PREFERENCE TO BE
DISCUSSED
NOVEMBER 18-19

AGENDA

STATE DOCUMENTS COLLECTION

NOV 14 1983

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As you probably know by now, the Governor met with legislative leaders on Friday, November 4, to discuss the need for a special session. As of now, a special session will be called beginning December 12 to consider issues surrounding the employment preference laws. Currently, there are no announced plans to include other issues; however, others have been suggested. Included could be state participation in a federal program of health insurance for the unemployed should Congress enact such a program, and issues relating to the state budget (see the finance committee article for details).

Housing will be tight during this special session. A major federal court trial is being held in Helena and there have been reports that a great number of hotel rooms have been booked right through the time. Some members in Helena meetings have made contingency reservations already. Should you be unable to find housing, contact the Legislative Council (449-3064) and we will do what we can to help you out.

INTERIM COMMITTEE NO. 4

With an early special session date having been decided, the interim committee consideration of issues surrounding the preference law has been advanced from an earlier announced December date to November 18, 19 at 9:00 a.m. in the old Supreme Court in the Capitol.

During the Friday morning session on November 18, committee staff will brief members on policy issues and options concerning the preference statutes. On Friday afternoon at 1:30 p.m., the committee asks interested persons to respond to these issues and options and to indicate which options they favor. On Saturday, November 19, committee members will select options to be incorporated into a preliminary bill draft for introduction at the special session. Another meeting will be held December 9 and 10 to review final bill drafts before the special session.

INFORMATION TO
BE SENT TO YOU

To assist you members of the Legislature to prepare for the session, a background report and issues and options checklist originally prepared for the interim committee will be sent to you later this month.

AGRICULTURAL LAND TAXATION

MEETING TO BE
HELD IN CONJUNCTION
WITH REVENUE
OVERSIGHT

The interim Subcommittee on Agricultural Lands Taxation is currently reviewing tentative recommendations from the Advisory Council on Agricultural Land Valuation which suggest changes to the valuation schedules for agricultural lands. The Subcommittee is also preparing for its next meeting, which will be held in conjunction with the Revenue Oversight Committee's meeting and seminar on property tax classification. (Because of the special session, the date of this ROC seminar is uncertain. A final date will be set at the Revenue Oversight meeting November 10.) A formal agenda has not yet been developed for the meeting but the Subcommittee has indicated a desire to listen to the proceedings of the seminar. The Advisory Council's recommendations will likely also be items of discussion.

INTERIM COMMITTEE NO. 2

MEETING POSTPONED

Representative Robert L. Marks, Chairman, has postponed until further notice an earlier announced meeting. This postponement is due to potential conflict with a special session. The Subcommittee is conducting studies of navigability laws under HJR 36 and of state lands administration under HJR 40.

INTERIM COMMITTEE NO. 3

PROJECT CHAIRMAN
SELECTED

At the September organizational meeting, the Subcommittee voted to have the chairman appoint a project chairman for each of the four studies under this committee. The project chairmen will work with the staff researcher assigned to each study. Subcommittee chairman Ted Neuman will oversee and coordinate the work of all four studies. Chairman Neuman has appointed Senator Thomas Towe as state investments chair, Senator Reed Marbut as court unification chair, Senator Don Ochsner as insurance chair, and Representative Dennis Veleber as pension chair.

CAPITOL BUILDING AND PLANNING

CAPITOL RENOVATION
NEARS START

The Capitol Building and Planning Committee members have been invited to the bid opening for the Capitol

renovation project to be held November 16 at the old highway auditorium. As soon as possible after this opening, the contractor selected will begin work on the building. The two wings will be completed between now and the next session. New committee rooms will also be built under the lawn between the west wing and the area now used as a cafeteria. Remodeling required in the central portion of the building will be done after completion of the 1985 session.

OFFICES TO
BE MOVED

During construction many of your favorite offices in the Capitol will be scattered to the winds. (Telephone numbers will also be changed at about the same time as offices move -- this in connection with another project.) Next month we will provide you with a list of office locations and telephone numbers for offices normally found easily here in the Capitol.

COAL TAX OVERSIGHT

COAL TAX OVERSIGHT
VISITS WIBAUX

Responding to the mandates of HJR 2, the Coal Tax Oversight Subcommittee traveled to Beulah, North Dakota, and to Wibaux, Montana, to inquire into the expected impacts on local and state government of the construction of the coal gasification plant proposed by Tenneco. After a tour of a similar plant nearing completion at Beulah on October 20, the Montana group met with an ad hoc committee of North Dakota legislative leaders to discuss interstate coordination of impact mitigation effort. The two committees decided to meet again, probably in Montana, to continue the discussion. On that evening, the Coal Tax Oversight Committee conducted a public meeting at Wibaux attended by about 60 persons. During that session, problems expected to arise from the Tenneco plant were discussed. On October 21, Tenneco representatives guided the committee members on a tour of the proposed mine and plant areas.

COAL TAX OVERSIGHT
MEETING NOVEMBER 18

The next meeting of the Coal Tax Oversight Subcommittee will begin at 9:00 a.m., Friday, November 18, in Room 104 of the Capitol. Reports on uses of coal severance tax funds will be heard from the Department of Natural Resources and Conservation and from the State Library. The subcommittee will also make plans to continue its study of needs of mitigation of impacts in the proposed Tenneco plant and mine area at Wibaux and Beach ND.

REVENUE OVERSIGHT COMMITTEE

NOVEMBER 9-10
MEETING

The Revenue Oversight Committee will meet in Helena on November 9 and 10, 1983, at the State Capitol

(Room 104), beginning at 9:30 a.m. on the 9th and 8:00 a.m. on the 10th. The committee has a very full agenda which includes reports from the Department of Revenue, a committee discussion relating to Missoula liquor licenses and farm home discounts, a preliminary report from the office of Budget and Program Planning on revenue estimates, and discussion about the committee's two major interim studies dealing with property tax classifications and tax credits, deductions, exemptions, etc.

PROPERTY TAX
SEMINAR

The committee will also finalize the agenda for a Property Tax Seminar to be held in Helena on December 9 and 10. The tentative theme of the Seminar is "What is Equity in the Property Tax System?". The Seminar is intended to provide committee members and interested persons a general background on property tax issues in the United States and Montana. If you are interested in attending the seminar, or need additional information, please contact the committee staff at 449-3064.

SELECT COMMITTEE ON INDIAN AFFAIRS

OCTOBER 27
MEETING HELD

The Select Committee on Indian Affairs held its second meeting of the interim on October 27, 1983, in Helena. The meeting was well attended by tribal representatives, federal and state agency personnel, and other interested persons. The agenda for this one-day session included a review of the status of state-tribal cooperative agreements in Montana, a presentation on the history and operation of tribal courts, and a discussion of jurisdictional problems concerning civil commitment of seriously mentally ill tribal members living on the reservation.

ACTION TAKEN

During the meeting, committee members took the following action:

- 1) Unanimously voted to seek assistance from the Montana congressional delegation to urge the federal internal revenue service to adopt regulations necessary to implement the Indian Tribal Tax Status Act;
- 2) Unanimously voted to express support to the Montana congressional delegation for federal legislation establishing a permanent U.S. Senate Committee on Indian Affairs;
- 3) Reluctantly agreed not to hold public hearings on the Indian reservations because of insufficient committee funds.

ENVIRONMENTAL QUALITY COUNCIL

MEETINGS SCHEDULED
NOVEMBER 17, 18;
DECEMBER 2, 3; AND
DECEMBER 15, 16

The Environmental Quality Council and its subcommittees will meet again December 15 and 16. The Groundwater Advisory Council, composed of legislators, state agency officials, and members of the public will meet November 17 and 18 in Room 436 of the Capitol. Because of the special session preparation, rooms earlier announced have become unavailable.

The EQC has just mailed its latest issue of EQComments, which describes in detail EQC and related activities pertaining to natural resource and environmental issues. If you would like to be on the EQComments mailing list and aren't already, please contact EQC.

SELECT COMMITTEE ON WATER MARKETING

OCTOBER 1 MEETING

The Select Committee on Water Marketing met October 1 to discuss the legal framework governing management of Montana's water resources. The Committee plans to meet again December 2 and 3 in Helena to focus on the issues of water availability and water management. See EQComments for further details.

LEGISLATIVE COUNCIL

MEETING HELD
NOVEMBER 4

The Legislative Council met November 4 and reviewed its legislative computerized systems. The Council:

- authorized further study of the bill printing equipment, agreeing that the present equipment needs replacing;
- directed further study of proposed changes in the bill status content, format, and public accessibility;
- decided not to purchase a micro-computer system at this time but to continue to pursue the concept because of the high cost of using the big state computer for legislative work;
- asked for cooperation with the Publications and Graphics Division in an attempt to produce camera-ready copy for the various legislative publications "in-house";
- discussed the problems associated with the "lowest bidder" printing the Montana codes and the lack of recourse for inferior workmanship;

- agreed to withhold partial payment from the printer of the '83 code until assured that the many defective volumes will be replaced by the printer at no cost to the state;
- directed the staff to study the 1983 bills with immediate effective dates to determine if such dates are necessary and whether or not there is a problem in this area;
- directed the staff to continue to report on improvements needed in the publication process so that the codes can be distributed prior to the October 1 effective date of legislation.

1983 CODE
DISTRIBUTED

The 1983 edition (9-volume set) of the Montana Code Annotated, statute text, was shipped U.P.S. from the Atlanta printing firm on October 17. Most Montana subscribers had received their sets by October 26. The '83 Index to the statutes will be mailed separately during the first week of December.

Individual volumes of the code are available from the Council offices for \$15. In addition, 10 titles of the code have been printed separately and are available at varying prices (all under \$6).

LEGISLATIVE FINANCE COMMITTEE

SPECIAL SESSION
REQUEST

The committee voted to ask the Governor to consider including problems with the Unemployment Insurance Trust Fund and the Subdivision Bureau for special session.

Mr. Dave Hunter, Director of the Department of Labor, told the committee that the Unemployment Insurance Trust Fund would reach a deficit of \$42 million during the 1985 biennium. Interest to the federal government on this loan would exceed \$5.7 million this biennium. The federal government will automatically raise their federal unemployment tax until the debt is repaid. Under the present program, Mr. Hunter felt payment of the tax, and thus the debt, is unfairly divided among types of employers.

The Subdivision Bureau revenue is less than needed to maintain the bureau at this time. Should subdivision review revenue not increase, the department will not be able to repay a general fund loan by June 30, 1984, as required in House Bill 118. The committee thought it appropriate for the Legislature to consider changing the repayment date to June 30, 1985. This will give

the department more time to see if they can operate on the lot review fees. If a problem still exists, the 1985 Legislature can review the Subdivision program rather than have it shut down or severely curtailed before January 1985.

STATE BOND DEBT

Montana has issued about \$500 million of bond debt since 1973. Most of this has been issued since 1980. The Legislature has authorized \$1 billion dollars of debt which has not been issued. The committee is concerned about debt policy and management. The committee will ask for bi-partisan legislative representation on a new committee the executive branch is forming to oversee the coordination of state debt policy.

UNIVERSITY SYSTEM
AUXILIARY AND
PLANT FUNDS

University system funds from student building fees, land grant income, or auxiliary revenues in excess of expenses are available for any other lawful purpose after all bond indenture requirements are fulfilled. There are questions about the Legislature's authority to authorize expenditure of these funds and the type of projects for which these funds can be utilized. The fiscal analyst has been directed to seek an Attorney General's opinion. Every effort will be made to work with the university system in forming the questions in this opinion request.

BUDGET AMENDMENTS

The committee had nine controversial budget amendments. Six were reconsidered as requested by the executive branch. These amendments approved by the committee were for the purpose of a nursing home ombudsman and a legal developer in the governor's office; utilizing general fund and Developmental Disabilities Policy Advisory Committee funds not needed for group homes, due to the medicaid waiver, for developmentally disabled services; and utilizing Environmental Protection Agency funds in the Department of Agriculture without a general fund reversion.

Three budget amendments for Fish, Wildlife, and Parks were not approved. These involved adding five game wardens who had previously retired under mandatory retirement. The committee questioned representations the department made about the Supreme Court decision, the emergency situation, and the reasonable alternatives.

LEGISLATIVE AGENCY CHAIRMEN MEET

COOPERATION PROMOTED

The chairmen of each of the five legislative agencies met the evening of November 3 to discuss various means of interagency cooperation. The four agencies located in the capitol have agreed to purchase or lease only those word processors that are compatible with each other.

The chairmen directed Legislative Council staff to study the feasibility of consolidating all payroll and accounting functions of the five agencies and to also study the possible need for data processing staff centralization.

*all meetings are subject to change

LEGISLATIVE INTERIM CALENDAR

NOVEMBER

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
		1	2	3	4	5
6	7	8	9	10 Revenue Oversight Room 104	11 Veterans' Day	12
13	14	15	16 E.Q.C. Rm. 104 1:30-5	17	18 Coal Tax Oversight - Rm. 104 all day Emp. Pref. Subcomm. - Old Supreme Court - 9am Water Adv. Counc. Rm. TBA - all day	19
20	21	22	23	24 Thanksgiving Day	25	26
27	28	29	30			

*all meetings are subject to change

LEGISLATIVE INTERIM CALENDAR

SUNDAY	MONDAY	TUESDAY	WEDNESDAY	THURSDAY	FRIDAY	SATURDAY
DECEMBER						
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31
Christmas Day	Holiday					

9 November 1983

TO: Readers of "The Interim"
FROM: Bob Person, Legislative Council
RE.: Corrected December Calendar

I goofed! On the overleaf is a corrected December calendar. The Revenue Oversight Tax Seminar was incorrectly listed on your former calendar. The correct dates are December 9 and 10. Please deface your other calendar and use this one in its place.

LEGISLATIVE INTERIM CALENDAR
DECEMBER

SUNDAY MONDAY TUESDAY WEDNESDAY THURSDAY FRIDAY SATURDAY

			1		2	3
					EOC - Select Comm. on Water Marketing - Rm. TBA - 9am	
4	5	6	7	8	9 Empl. Pref. Subcomm. - Old Supreme Court Chamb. - 9am Revenue Oversight Comm. - Property Tax Subcomm. - Ag. Tax Subcommittee	10 Rm. TBA - 9am
11	12 SPECIAL SESSION -----	13 -----	14 -----	15 ----- EOC Rm. TBA	16 -----	17
18	19	20	21	22	23	24
25 Christmas Day	26 Holiday	27	28	29	30	31

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